

**Comments on draft SNA chapter:
Chapter 15: The Goods and Services Account and
Supply and Use Tables**

Deadline for comments: 29 November 2007

Send comments to: sna@un.org

Your name:	Ole Berner (on behalf of Statistics Denmark)
Your country/organization:	Statistics Denmark
Contact (e.g. email address):	obe@dst.dk
Submission date:	Click here and enter your submission date

This three-part template allows you to record your comments on draft chapter 15 easily and, at the same time, makes it easy for us to use your comments in considering revisions to the draft chapter. You may complete any one, any two, or all of the three parts of the template.

Save this template and send it as an attachment to the following e-mail address:
sna@un.org

Part I: General comments

In the space below, please provide any general comments, such as about the clarity with which the new recommendations were incorporated. Also, you may wish to comment on whether there is enough cross-referencing to earlier chapters for the basic concepts and definitions used in the supply and use tables (30 words or less).

Comment:

First I regret that this comment is late compared to the deadline. The delay is mainly due to this very busy time of the year, but also because we found that quite a few things in the draft chapter needed more time for discussion than we had originally expected.

In general we have the following positive observations:

- The partition of the present SNA chapter 15 into two chapters is a good idea
- The supply-use system as central in the compilation of national accounts data having been moved forward in the chapter
- The new section on the final use matrix
- The omission of the cross classification with institutional sectors

However, we do also have severe concerns with the current draft. A few general points are:

- In section A we find it very artificial to distinguish between “Commodity balances” and “Supply and Use tables”. To us this is the same.
- Why is the term old 1968 SNA term “commodity” used? In the rest of the updated SNA the term “products” is used (as in the 1993 SNA). It should only appear as part of the term “commodity-flow-method”.
- The introduction of the term “producing units” is confusing. Sometimes it is used as meaning establishment, sometimes in the meaning of industries. In general it

should be replaced by the proper SNA term “industries”

- The balance between the description of trade margins on the one hand and transport margins on the other doesn't at all reflect the importance and the complexity. We propose to cut down the description of the transport margins and enlarge the description of the trade margins. Thus, apart from the new par. 15.63 on goods sent abroad for processing the present SNA par. 15.40-44 may be reinstated.
- The description of the cif/fob adjustment is confusing. It can only be understood if you as a starting point have an inconsistent system where the import of goods are valued at cif and at the same time the imports of services are valued at a level which assumes that the import of goods are valued fob. At least these assumptions should be made clear. (We are aware that this problem is already in the present 1993 SNA text).
- The supply table in volume terms seems almost to disappear. The deflation of imports is mentioned in 15.126 and the deflation of output is very shortly mentioned in 15.130. In both cases it is in the section called “Expressing the *Use* table in volume terms”.

In general we agree with the comprehensive comments made several others, especially by the Netherlands, the UNSD and Eurostat, but will in addition to the above in a few days **send the draft chapter text with a number of more concrete proposals indicated by track changes.**

Part II: Comments on specific draft paragraphs or passages

In your review of draft chapter 15, you may wish to devote particular attention to the passages listed below. For ease of reference, we have identified the relevant paragraphs. For each passage, a Word table is provided for you to use in making your comments. In most cases, there is a row for general comments at the top of the table. Thereafter please use a separate row for each paragraph on which you wish to make detailed comments.

Goods and services account

As the foundation of the supply and use tables, the goods and services account is discussed in paragraphs 15.7. This account also serves as a preliminary step to the material on the summary measures of the accounts (now in chapter 14, but to be moved in the next version of the full set of chapters where this chapter on the goods and services account and supply and use table will be chapter 14, prices and volumes will be chapter 15 and part of the existing chapter 14 will be described as “Summarising and integrating the accounts” in place of the present title of “Summarising and presenting the accounts”> and will be chapter 16.).

1. Do you find this discussion useful? Is it clear and sufficient?

General comment	Click here and start typing.
15.7	Click here and start typing.

Goods for processing

The implications of the new treatment for goods sent abroad for processing (and returned from abroad after processing) for the supply and use tables is described in paragraphs 15.32-15.36.

2. Is the discussion of goods for processing clear and sufficient?

General comment	Click here and start typing.
15.32	Click here and start typing.
*	Click here and start typing.

* Insert rows in this Word table for each paragraph on which you wish to comment.

Trade and transport margins

The decision on how to record goods for processing has implications for how to record transport margins on such goods. Further, the principles of how to record trade and transports margins within supply and use tables when valuation is at basic prices as compared with purchaser's prices were not elaborated in the *1993 SNA* text. Such a clarification is now provided (paragraphs 15.42-15.66)

3. Is the discussion of trade and transport margins clear and sufficient?

General comment	Click here and start typing.
15.42	Click here and start typing.
*	Click here and start typing.

* Insert rows in this Word table for each paragraph on which you wish to comment.

The supply and use tables in volume terms

Section D.2 provides a general discussion of the supply and use tables in volume terms, covering output, imports and exports, margins, taxes less subsidies on production, and value added.

4. Is the discussion of supply and use tables in volume terms clear and sufficient?

General comment	Click here and start typing.
15.119	Click here and start typing.
*	Click here and start typing.

* Insert rows in this Word table for each paragraph on which you wish to comment.

Additions and deletions to the draft chapter

The chapter aims to give a more comprehensive view of supply and use tables and how they might be used than is found in the *1993 SNA*. As explained in the Note by the Editor, new material was added on several aspects.

5. Bearing in mind that input-output tables will be described in a later chapter, are there other aspects of supply and use tables that you feel should be added to the chapter?

Comment:

Click here and start typing.

Table 15.3 of the *1993 SNA* shows the cross classification of production account items by industries and institutional sectors. It has been omitted from the draft chapter.

6. Do you see any reason to restore it to the draft?

Comment:

Click here and start typing.

Part III. Other specific comments

You are welcome to make other comments. Please do so by using Adobe Acrobat Version 6 or 7 to comment directly on the PDF of the draft chapter.

If you don't have Adobe Acrobat Version 6 or 7 and would like to make detailed comments, please send a message to sna@un.org requesting a version of the draft chapter that permits you to comment. To optimize your commenting tools, please download Adobe Reader 7.0 for free from <http://www.adobe.com/products/acrobat/readstep2.html>